

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application) Docket No:
of Rocky Mountain Power for) 09-035-15
Approval of its Proposed Energy)
Cost Adjustment Mechanism)
)
)

In the Matter of the Application) Docket No:
of the Utah Association of) 10-035-14
Energy Users for a Deferred)
Accounting Order Directing Rocky)
Mountain Power to Defer)
Incremental REC Revenue for)
Later Ratemaking Treatment)

TRANSCRIPT OF HEARING PROCEEDINGS

TAKEN AT: Public Service Commission
160 East 300 South
Salt Lake City, Utah

DATE: June 29, 2010

TIME: 9:03 a.m.

REPORTED BY: Kelly L. Wilburn, CSR, RPR

APPEARANCES

Commissioners:

Ted Boyer (Chairman)
Ric Campbell
Ron Allen

-o0o-

For Rocky Mountain Power:

YVONNE RODRIGUEZ HOGLE, ESQ.

ROCKY MOUNTAIN POWER

201 South Main Street, Suite 2300
Salt Lake City, Utah 84111
(801) 220-4050
(801) 220-3299 (fax)

GREGORY B. MONSON, ESQ.

STOEL RIVES, LLP

201 South Main Street, Suite 1100
Salt Lake City, Utah 84111
(801) 328-3131
(801) 578-6999 (fax)

For the Division of Public Utilities:

PATRICIA E. SCHMID, ESQ.

ASSISTANT UTAH ATTORNEY GENERAL

160 East 300 South, Fifth Floor
Post Office Box 140857
Salt Lake City, Utah 84114-0857
(801) 366-0353
(801) 366-0352 (fax)

For the Utah Office of Consumer Services:

PAUL H. PROCTOR, ESQ.

OFFICE OF THE ATTORNEY GENERAL

160 East 300 South, Fifth Floor
Post Office Box 140857
Salt Lake City, Utah 84114-0857
(801) 366-0353
(801) 366-0352 (fax)

-o0o-

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

APPEARANCES, CONTINUED

For Utah Clean Energy:

SOPHIE HAYES, ESQ.
UTAH CLEAN ENERGY
1014 Second Avenue
Salt Lake City, Utah 84103
(801) 363-4046

For the UAE Intervention Group:

GARY A. DODGE, ESQ.
HATCH, JAMES & DODGE, PC
10 West Broadway, Suite 400
Salt Lake City, Utah 84101
(801) 363-6363
(801) 363-6666 (fax)

For Utah Industrial Energy Consumers:

WILLIAM J. EVANS, ESQ.
PARSONS, BEHLE & LATIMER
One Utah Center
201 South Main Street, Suite 1800
Salt Lake City, Utah 84111
(801) 532-1234
(801) 536-6111 (fax)

-oOo-

1 JUNE 29, 2010

9:03 A.M.

2 P R O C E E D I N G S

3 CHAIRMAN BOYER: Let's go on the record then
4 in two dockets: Docket No. 09-035-15 and 10-035-14.
5 This is the time and place duly noticed for the
6 Hearing on a Stipulation and Joint Motion For
7 Accounting Orders in the Proposed Energy Cost
8 Adjustment Mechanism Cases.

9 What we'll do, as in the past, is we'll hear
10 first from witnesses speaking for the stipulation,
11 approval of the motion, and then if any opposed we'll
12 hear from them secondly. So with that, let's take
13 appearances. And let's begin with Ms. Hogle, the
14 moving party.

15 MS. HOGLE: Good morning Commissioners,
16 Chairman, Yvonne Hogle with Rocky Mountain Power.
17 With me is Greg Monson, our counsel, and Dave Taylor,
18 our Company witness.

19 CHAIRMAN BOYER: Thank you.

20 Ms. Schmid?

21 MS. SCHMID: Good morning. Patricia E.
22 Schmid, with the Attorney General's Office, on behalf
23 of the Utah Division of Public Utilities. And with me
24 is the Division's witness, Dr. William Powell.

25 CHAIRMAN BOYER: Great.

1 Mr. Proctor?

2 MR. PROCTOR: The Office of Consumer Services
3 is here through Cheryl Murray and myself, Paul
4 Proctor.

5 CHAIRMAN BOYER: Very well. And to my left?

6 MS. HAYES: Sophie Hayes with Utah Clean
7 Energy, and we have no witnesses.

8 CHAIRMAN BOYER: Okay. Ms. Hayes, H-a-y-e-s?

9 MS. HAYES: Uh-huh.

10 CHAIRMAN BOYER: Welcome.

11 Mr. Dodge?

12 MR. DODGE: Morning Mr. Chairman. Gary Dodge
13 on behalf of the Utah Association of Energy Users.
14 Our witness today is Kevin Higgins, with Energy
15 Strategies.

16 CHAIRMAN BOYER: Great. And Kevin is --
17 there he is, okay. Welcome Mr. Higgins.

18 Mr. Reed? Or Mr. --

19 MR. EVANS: I'm William Evans for the --

20 CHAIRMAN BOYER: Mr. Evans.

21 MR. EVANS: -- Utah Industrial Energy
22 Consumers, and we have no witness this morning.

23 CHAIRMAN BOYER: Okay. Shall we, in an
24 effort to expedite matters then -- are there any
25 parties here opposing the stipulation and joint

1 motion?

2 Why don't we, why don't we swear all of the
3 witnesses then in one fell shot here. Mr. Higgins,
4 Mr. Taylor, Dr. Powell, and Ms. Murray.

5 (The witnesses were sworn.)

6 CHAIRMAN BOYER: Thank you. Please be
7 seated.

8 Let's commence, Ms. Hogle, with your witness.

9 MS. HOGLE: Thank you. It will be
10 Mr. Monson. Thank you.

11 CHAIRMAN BOYER: Oh, Mr. Monson. Proceed
12 with your witness then.

13 MR. MONSON: Thank you.

14 Mr. Taylor, please state your name and your
15 position with Rocky Mountain Power.

16 MR. TAYLOR: My name is David L. Taylor. I'm
17 employed by Rocky Mountain Power as the Manager of
18 Regulatory Affairs for the State of Utah.

19 MR. MONSON: What's the purpose of your
20 testimony today?

21 MR. TAYLOR: I will briefly review the
22 history of events that led up to this agreement that's
23 presented today, and the key elements of the
24 stipulation and joint motion for deferred accounting
25 in or -- for deferred orders in Dockets No. 09-035-15

1 and 10-035-14.

2 The agreement has been reached by Rocky
3 Mountain Power, the Utah Division of Public Utilities,
4 the Utah Office of Consumer Services, the Utah
5 Association of Energy Users, Utah Industrial Energy
6 Consumers, Wal-Mart Stores, Inc. and Sam's West, Inc.,
7 Western Resource Advocates, and Utah Clean Energy.

8 I'll also reconfirm Rocky Mountain Power's
9 support of the stipulation and the Company's belief
10 that the stipulation is in the public interest.

11 MR. MONSON: Mr. Chairman, the stipulation
12 was filed with the Commission and I think everyone has
13 it, but do you think we need a copy of it in the
14 record? I mean for this hearing, or?

15 CHAIRMAN BOYER: No, I don't think so. I
16 think it's in the, it is in the record already.

17 MR. MONSON: Okay, thank you.

18 CHAIRMAN BOYER: Thank you.

19 MR. MONSON: Mr. Taylor, please recount the
20 events that led to the stipulation.

21 MR. TAYLOR: Okay. On February 8th of this
22 year, 2010, the Commission issued an order giving
23 notice in the ECAM docket -- that's Docket
24 09-035-14 -- that they would move and proceed to
25 Phase II in that docket.

1 Oh, excuse me. That's Docket 09-035-15, I
2 misspoke there. That they would move on to Phase II
3 and consider the proposed ECAM and any modifications
4 that the parties might have to that proposed ECAM.

5 On February 9th, the following day, Rocky
6 Mountain Power filed a motion for a deferred
7 accounting order in the ECAM docket. That motion
8 requested a deferral for net power costs, the
9 difference between the net power costs that are
10 currently included in the rates as established in the
11 last general rate case, and the actual net power costs
12 that would be incurred after February 18, 2010, or the
13 effective date of new rates from the just-recently-
14 completed general rate case.

15 On February 22nd of 2010 the UAE filed an
16 application for a deferred accounting order for
17 incremental renewable energy credits, or "RECs" as
18 they're referred to. That became Docket 10-035-14.

19 In that docket the UAE sought a deferred
20 accounting order commencing on February 22nd, the date
21 of that application, for revenues in connection with
22 the sales of renewable energy credits that would be in
23 excess of those that were utilized in establishing
24 rates in the just-recently-completed general rate
25 case.

1 UAE sought a deferred accounting order to
2 preserve the rights and abilities of parties to argue
3 in the future for or against the use of deferred REC
4 revenues as a credit to ratepayers in some future
5 ratemaking proceeding.

6 The parties met on several occasions. They
7 met on March 16th, again on March 24th, and again on
8 April 14th of this year to discuss both the schedule
9 to complete the ECAM docket and other issues related
10 to both the ECAM docket and the REC referral docket.

11 Based on those discussions, a schedule was
12 agreed to. That schedule has subsequently been
13 adopted by the Commission and circulated to the
14 parties in the scheduling order.

15 And they also agreed to jointly move that the
16 Commission grant the deferred accounting orders as was
17 requested in the Company motion to defer incremental
18 net power costs, and the UAE application to defer
19 incremental REC revenues.

20 MR. MONSON: Mr. Taylor, could you describe
21 the essential terms of the stipulation, please?

22 MR. TAYLOR: I will. Beginning with
23 paragraph 9 of the stipulation the parties agree to a
24 number of items. Paragraph 9 addresses the net power
25 cost deferral and the Company's motion.

1 The parties agree that that deferral should
2 be granted. That a deferred accounting order should
3 be issued by the Commission. And that order should
4 direct the Company to defer incremental net power
5 costs, in accordance with the motion that I just
6 described earlier, commencing on February 18th of
7 2010.

8 Now, that deferral would be pending on the
9 Commission's final determination of what the
10 ratemaking treatment of any of those incremental power
11 costs should be through the ECAM mechanism.

12 Paragraph 10 is a similar paragraph relating
13 to the UAE application for deferral of incremental REC
14 revenues. And basically requests the same thing, that
15 the -- that that application should be granted.

16 That a deferred accounting order should be
17 issued by the Commission directing the Company to
18 defer incremental REC revenues in accordance with that
19 application that was just described earlier. And the
20 UAE may choose to describe that in somewhat further
21 detail in their testimony.

22 That deferral would commence on
23 February 22nd, which was the date of their
24 application. And again, that deferral -- any final
25 action on that would be pending the Commission's final

1 determination of ratemaking treatment of any of those
2 incremental REC revenues.

3 Paragraph 11 explains just some of the
4 parameters around this agreement. While the parties
5 agree that both of those deferral applications and
6 motions should be granted, not all the parties agree
7 that the deferred accounting as requested in either of
8 those motions or applications would be warranted or
9 supportable in isolation. Or in other words they're
10 agreeing to this collectively, not in isolation.

11 And while they're not agreeable necessarily
12 to specific components in the stipulation, they all
13 agree that the stipulation as a package collectively
14 is in the public interest.

15 The parties are authorized to represent that
16 no party to this docket is opposed to the stipulation.
17 And we believe that the Commission properly can and
18 should move to grant the two, the two deferrals that
19 have been requested.

20 Paragraph 12 states that the parties agree
21 that the applications are mutually conditioned upon
22 the Commission granting both deferral applications
23 without material change or condition. And a typical
24 condition in most stipulations, that the granting of
25 this -- of these motions for deferrals are not

1 precedent or binding in any future case involving
2 similar issues.

3 Paragraph 13 describes the opportunity for
4 parties to recommend that the REC revenues be included
5 in, in the ECAM. That the parties could argue either
6 for or against that they should be -- REC revenue
7 should be applied through the ECAM balance, or that
8 any future REC revenues should be applied in any ECAM
9 going forward. And of course that's assuming that an
10 ECAM is ultimately adopted.

11 So that basically gives the opportunity,
12 while currently the proposal made by the Company did
13 not include REC revenues, it allows any party,
14 including Rocky Mountain Power, to argue whether they
15 believe or -- that REC revenues should or should not
16 become part of an ECAM mechanism.

17 That the parties can present evidence in
18 Phase II of this docket on that matter. And there's a
19 date set in the schedule of August 4, 2010, that
20 allows Rocky Mountain Power to file supplemental
21 testimony on REC revenues as part of the ECAM docket
22 if they choose to do that.

23 Paragraph 14 again states that the deferred
24 accounting orders do not create any presumption about
25 future ratemaking treatment of these deferred

1 accounts.

2 And that the parties are not stipulating or
3 agreeing to any of the facts or legal arguments that
4 were offered either in support of or in opposition to
5 either the Company's motion for the deferral of net
6 power costs, or the UAE application for the deferral
7 of incremental REC revenues.

8 Paragraph 15 describes some of the accounting
9 requirements of these deferrals. Subpart (a) of that
10 paragraph requires that the Company would record the
11 deferrals for net power costs and REC revenues in
12 separate accounts.

13 That they would record those in sufficient
14 detail and granularity that would prevent, whatever
15 ratemaking treatment is ultimately determined, there
16 would be adequate information on which to apply those
17 amounts which have been deferred into that mechanism.
18 And that's whether all or part of either the net power
19 costs or REC revenues are included in such a
20 mechanism.

21 Part (b) of paragraph 15 states that the two
22 accounts will be subject to a carrying charge. That
23 the carrying charge for ratemaking purposes will be
24 equal, whether it's deferring a revenue or a cost.
25 And that the carrying charge would be based on the

1 long-term debt rate established in the just-recently-
2 completed general rate case, or 5.98 percent.

3 Then the remainder of the stipulation lays
4 out a schedule to complete the ECAM docket. And
5 again, that schedule has already been approved by the
6 Commission.

7 MR. MONSON: Mr. Taylor, did you have
8 anything else you wanted to say about the stipulation?

9 MR. TAYLOR: Well, first of all, I just want
10 to thank the parties for working together to reach
11 this agreement. This, this has been a difficult road
12 to get even to this part. And we anticipate an
13 additional difficult road as we complete the remaining
14 portion of this docket.

15 But we think this is a good agreement at this
16 point. And it gets at least the deferral issues off
17 the table so we can focus on the ultimate objective of
18 dealing with what the design of an ECAM, if one is
19 adopted, should be.

20 I restate the Company's support for the
21 stipulation. It was negotiated in good faith by the
22 parties who have signed it. I believe the stipulation
23 is in the public interest.

24 And I recommend and encourage the Commission
25 to approve the stipulation and motion as filed. And

1 issue the deferred accounting orders granting both the
2 Company motion to defer incremental net power costs
3 and the UAE application to defer incremental REC
4 revenues, consistent with the parties' agreement in
5 this, in this motion. And that concludes my comments,
6 thank you.

7 MR. MONSON: Mr. Taylor is available for
8 questions.

9 CHAIRMAN BOYER: Thank you Mr. Taylor and
10 Mr. Monson. The Commissioners will reserve our
11 questions until we've heard from all of the
12 proponent's witnesses, but let's see if any of the
13 parties wish to cross examine Mr. Taylor.

14 Ms. Schmid?

15 MS. SCHMID: No questions.

16 CHAIRMAN BOYER: Mr. Proctor?

17 Ms. Hayes?

18 MS. HAYES: No questions.

19 MR. DODGE: No questions.

20 CHAIRMAN BOYER: Mr. Dodge?

21 Mr. Evans?

22 Very well. Thank you, Mr. Taylor.

23 Let's hear now from Dr. Powell, for the
24 Division of Public Utilities.

25 MS. SCHMID: Thank you. Dr. Powell has a

1 statement in support of the stipulation on behalf of
2 the Division of Public Utilities.

3 DR. POWELL: Good morning, and thank you for
4 allowing me this opportunity to address just a few
5 remarks in support of the stipulation on behalf of the
6 Division.

7 As Mr. Taylor laid out, there are two
8 deferral requests before the Commission at this time:
9 An application by the Company to defer net power
10 costs, or at least the difference between its actual
11 net power costs and the net power costs that are
12 currently in the rates, and the UAE's application for
13 deferral of incremental revenue from the sale of
14 renewable energy credits, or the RECs.

15 Mr. Taylor went through the -- kind of the
16 history behind and went into some detail about the
17 stipulation, so I'll forego that in my statement. But
18 let me make a preliminary statement then and explain
19 the Division's support of this stipulation.

20 The Division initially opposed the Company's
21 application for deferral of the net power costs, and
22 filed a response to the Company's application to that
23 effect in February of this year. However, a couple of
24 the items in the stipulation or conditions in the
25 stipulation alleviates the concerns expressed by the

1 Division in that particular motion or responsive
2 memorandum.

3 First, in paragraph 12 the parties agree and
4 are recommending that the Commission grant both
5 applications together. And we believe that this is an
6 important part of the stipulation. That these two
7 deferrals, taken together, are in the public interest.

8 Additionally, paragraph 12 explicitly states
9 that the stipulation does not provide any precedent
10 for similar issues in the future. In other words, the
11 Division is not bound by this stipulation to support
12 similar deferral requests if they come at sometime in
13 the future.

14 Paragraph 14 provides that the stipulation
15 does not create a presumption for ratemaking treatment
16 of any of the deferred amounts, including, as is
17 specified in paragraph 13, using the revenues from the
18 sale of the RECs as an offset to either the deferred
19 net power costs or as an offsetting component in a
20 Commission-approved ECAM.

21 Paragraph 15 provides that the Company will
22 maintain separate accounts for the deferred amounts in
23 sufficient detail to facilitate a variety of
24 ratemaking treatments, including an ECAM that is
25 limited to specific items. A possibility that the

1 Division is exploring and may file testimony on,
2 according to the schedule, in August.

3 This condition was one of the weightier
4 factors that led the Division to support the
5 stipulation as it's been presented to Commission.
6 Given these provisions, the Division believes the
7 stipulation is in the public interest and recommends
8 its adoption by the Commission.

9 And that will conclude my remarks at this
10 time. Thank you.

11 CHAIRMAN BOYER: Okay. Thank you,
12 Dr. Powell.

13 Ms. Hogle or Mr. Monson, do you wish to cross
14 examine Dr. Powell?

15 MR. MONSON: No.

16 CHAIRMAN BOYER: Mr. Proctor? Ms. Hayes?
17 Mr. Dodge? Mr. Evans? Okay.

18 Thank you very much, Dr. Powell.

19 Let's hear now from Ms. Murray for the Office
20 of Consumer Services.

21 MS. MURRAY: Thank you. I'm here today to
22 speak in support of the stipulation on behalf of the
23 Office of Consumer Services. First, the Office would
24 like to thank the Commission for having established a
25 schedule in the proceeding as requested in the

1 stipulation.

2 Also, the Office notes that this stipulation
3 is not a resolution of substantive issues regarding
4 the Company's ECAM proposal, or UAE's application
5 for -- pertaining to rate treatment of the incremental
6 revenue associated with RECs.

7 This is simply a request for a procedural
8 accounting order that the Office believes will
9 streamline the proceeding dealing with the merits of
10 the issues. Therefore, the Office respectfully
11 requests that the Commission approve this stipulation
12 as filed. Thank you.

13 CHAIRMAN BOYER: Thank you, Ms. Murray.

14 Any cross examination of Ms. Murray?

15 MR. MONSON: No questions.

16 CHAIRMAN BOYER: I'm looking around the room,
17 I see heads nodding "No."

18 Very well. Thank you, Ms. Murray.

19 Ms. Hayes does not have a witness.

20 Mr. Dodge does, and I see Mr. Higgins here.

21 MR. DODGE: Yes, thank you. I've asked him
22 to take a seat by Mr. Monson, and I trust Mr. Monson
23 will treat him well.

24 CHAIRMAN BOYER: He's usually fairly well
25 behaved.

1 MR. DODGE: And I would request that
2 Mr. Higgins identify himself and then provide his
3 statement in support of the stipulation.

4 MR. HIGGINS: Good morning.

5 CHAIRMAN BOYER: Please proceed, Mr. Higgins.

6 MR. HIGGINS: Yes. Good morning Mr. Chairman
7 and Commissioners. My name is Kevin C. Higgins, and
8 I'm here on behalf of UAE. And I'm here to state
9 UAE's support for the proposed stipulation.

10 UAE believes this stipulation is in the
11 public interest in that it provides an
12 administratively-efficient way to establish a process
13 to address the requested deferred accounting
14 treatments. Both the deferred accounting treatment
15 requested by Rocky Mountain Power, as well as the
16 deferred accounting treatment requested by UAE.

17 With respect to the deferred accounting
18 treatment requested by UAE, because of the dramatic,
19 unprecedented, and extraordinary increase in REC
20 values that occurred subsequent to the closing of the
21 last rate case, UAE, and I, believe it is essential to
22 have a forum to address the proper treatment -- the
23 proper ratemaking treatment of those values.

24 And this stipulation will provide a venue for
25 doing that. And we believe will, you know, in light

1 of the two different requests for deferred accounting
2 treatments that were before the Commission, that this
3 stipulation, that creates a process for addressing
4 each of these, is a good way to resolve the procedural
5 issues to allow the parties and the Commission to move
6 on to consider the substance of the proposals.

7 And in that light, I recommend to you your
8 approval of this stipulation in the public interest.
9 Thank you.

10 CHAIRMAN BOYER: Thank you, Mr. Higgins.
11 Anything further, Mr. Dodge?

12 MR. DODGE: No, thank you.

13 CHAIRMAN BOYER: Does anyone wish to cross
14 examine Mr. Higgins?

15 Again, no one does. The Commissioners do
16 have a couple of questions. We'll commence with --
17 beginning with Commissioner Allen.

18 COMMISSIONER ALLEN: Thank you, Mr. Chairman.
19 I have a question for Dr. Powell and for the Division,
20 but if anyone else wants to weigh in or has some
21 observations you're certainly welcome to.

22 In terms of the details of the stipulation
23 are you comfortable, Dr. Powell, that we're following
24 generally-accepted accounting principles, FERC
25 accounting rules, and especially the Division

1 guidelines on how and when deferred accounting
2 treatments should be handled?

3 MR. POWELL: There's been some discussion in
4 the Division about our guidelines, in terms of when we
5 do and don't support deferred accounting applications.
6 I know that the Company disagrees with our
7 interpretation of, I think it's FASB 71, if I remember
8 off the top of my head, and we are reexploring that at
9 this time.

10 It's my understanding that given the -- if
11 the Commission grants the deferral of the net power
12 costs, then the Company will have to evaluate whether
13 or not -- or the likelihood of actual recovery of that
14 amount. Or the probability of recovery.

15 And that they will have to satisfy certain
16 accounting conditions. And they may have to set up
17 like a contingency fund to -- in case that part of
18 that is not recoverable in the future, or is decided.

19 So I believe in general that we probably are
20 following standard accounting guidelines. I am not an
21 accountant though, and so Mr. Taylor may want to
22 address some comments to that.

23 COMMISSIONER ALLEN: Do you have anything to
24 add, Mr. Taylor?

25 MR. TAYLOR: Well, I have to say that I have

1 a degree in accounting, but I haven't done an awful
2 lot of accounting since I passed the CPA exam almost
3 30 years ago. But I did talk with our accountants
4 yesterday.

5 And Mr. Powell is generally correct that --
6 as of yet we haven't put anything on the books,
7 pending the decision of the Commission on this motion.
8 When we do, the Company does have to make an
9 assessment of their view of whether or not those
10 amounts that are deferred will eventually flow through
11 to customers in rates.

12 In light of that, the Company may establish a
13 reserve or a provision against that deferral on some
14 probability base of what they think may actually
15 happen.

16 But I believe that these, these two deferrals
17 are somewhat different in nature than some of the
18 deferrals that are requested before this Commission in
19 that they're anticipated to go into some type of a
20 mechanism, or at least the Company would expect they
21 would go into some type of a mechanism with a
22 balancing account and an ongoing nature.

23 So I think it's a little different than a
24 one-time event that's really out of the ordinary and
25 would set up a deferral for some future ratemaking

1 treatment. So I believe we're consistent with
2 generally-accepted accounting principles on this
3 matter.

4 COMMISSIONER ALLEN: Okay. So if I heard you
5 right, then the stipulation is not problematic for
6 accounting rules. But what remains that's outside of
7 the stipulation are contingency calculations and how
8 it will actually be treated on the books?

9 MR. TAYLOR: That's correct.

10 COMMISSIONER ALLEN: Okay, thank you.

11 CHAIRMAN BOYER: Commissioner Campbell?

12 COMMISSIONER CAMPBELL: I'm curious, based on
13 what we know today, what the practical implications of
14 the stipulation are. Like are net power costs higher
15 or lower than what we set in rates, and to what degree
16 REC revenues are higher or lower. I mean, we've had
17 testimony that they're higher, the question is to what
18 degree.

19 MR. TAYLOR: Well, I thought you might ask
20 that question so I did, again, I asked our people in
21 PacifiCorp generation where we stood as of -- as best
22 they knew, as of today on these matters.

23 And so as of yesterday they informed me that
24 March through May of 2010 that net power costs are
25 about \$9 million more than were reflected in, in

1 the -- and that's a Utah number. Utah-allocated
2 number. About \$9 million more than are being
3 collected in rates. That REC revenues are about
4 \$14 million more than reflected in rates. Again,
5 that -- those are both Utah-allocated numbers of March
6 through May.

7 The projections through the end of 2010 would
8 have net power costs approximately \$31 million more
9 than what's built into rates, and REC revenues
10 approximately \$33 million more than what's built into
11 rates.

12 So net effect of that is about -- current
13 projection is about \$2 million that would be due back
14 to customers should a mechanism be established that
15 would flow through a hundred percent of both of those
16 items.

17 COMMISSIONER CAMPBELL: Thank you. Now I
18 have a policy question. And it deals with my
19 understanding is that transmission wheeling costs are
20 part of net power costs in the way we do our rate
21 cases, but that transmission wheeling revenues are in
22 other revenues. And in a, in a rate case, that
23 somewhat averages out.

24 Now, now, when we're creating a mechanism to
25 defer net power costs but in no way are we tracking

1 any sort of deferral of transmission wheeling
2 revenues, there's a potential there for a mismatch,
3 isn't there? I mean, has this issue come up? Did you
4 explore the implications of that issue?

5 MR. POWELL: Well, I believe that we did,
6 internally in the Division, discuss that as we were
7 going through negotiations on the stipulation. And
8 it's one of the reasons -- or one of the paragraphs in
9 the stipulation.

10 I believe it's paragraph 14. Again, just
11 to -- that the stipulation is not setting any
12 precedent or making any kind of presumption about how
13 these deferred amounts will be treated for ratemaking
14 purposes in the future.

15 So as we go through the ECAM design phase of
16 the ECAM docket, the revenues from wheeling could
17 actually be included as part of an offset to the net
18 power costs. So it's not precluding it at this time,
19 and so we feel comfortable.

20 COMMISSIONER CAMPBELL: So they could be used
21 as an offset going forward, but they would not be
22 deferred. So in a sense there's a period of time here
23 where -- this deferral period where you're deferring
24 one side but maybe not the other side?

25 MR. POWELL: That would be true, especially

1 with the stipulation. It's not called out in the
2 stipulation for a deferral.

3 COMMISSIONER CAMPBELL: Does the Office have
4 any comment on that policy?

5 MS. MURRAY: We have looked at that for -- as
6 part of ECAM design, but not in this deferred
7 accounting proposal.

8 CHAIRMAN BOYER: Okay. Well, my questions
9 have been asked. Is there anything further from the
10 moving parties?

11 All right. We'll take a ten-minute recess
12 and then we'll come back and let you know how we wish
13 to proceed. Thank you.

14 (A recess was taken from 9:32 to 9:43 a.m.)

15 CHAIRMAN BOYER: We've had an opportunity to
16 deliberate briefly -- of course we had already read
17 the stipulation earlier -- and we've determined to
18 approve the stipulation as submitted.

19 And we'll ask Mr. Monson and Ms. Hogle to
20 prepare a draft order approving the stipulation,
21 circulate it among the parties, and let us see it.

22 Thank you all for your participation and your
23 hard work. Thank you. That concludes this hearing.

24 (The hearing was concluded at 9:43 a.m.)

25

\$	8	adopted [3] - 9:13, 12:10, 14:19	5:13, 7:5	5:20, 5:23, 6:6, 6:11, 7:15, 7:18, 15:9, 15:16, 15:20, 18:11, 18:16, 19:13, 19:16, 19:24, 20:5, 21:10, 21:13, 24:11, 27:8, 27:15
\$14 [1] - 25:4 \$31 [1] - 25:8 \$33 [1] - 25:10	8th [1] - 7:21	adoption [1] - 18:8	assuming [1] - 12:9	7:15, 7:18, 15:9, 15:16, 15:20, 18:11, 18:16, 19:13, 19:16, 19:24, 20:5, 21:10, 21:13, 24:11, 27:8, 27:15
0	9	Affairs [1] - 6:18	Attorney [1] - 4:22	15:16, 15:20, 18:11, 18:16, 19:13, 19:16, 19:24, 20:5, 21:10, 21:13, 24:11, 27:8, 27:15
09-035-14 [1] - 7:24 09-035-15 [3] - 4:4, 6:25, 8:1	9 [4] - 9:23, 9:24, 24:25, 25:2 9:03 [1] - 4:1 9:32 [1] - 27:14 9:43 [2] - 27:14, 27:24 9th [1] - 8:5	ago [1] - 23:3	August [2] - 12:19, 18:2	18:16, 19:13, 19:16, 19:24, 20:5, 21:10, 21:13, 24:11, 27:8, 27:15
1	A	agree [7] - 9:23, 10:1, 11:5, 11:6, 11:13, 11:20, 17:3	authorized [1] - 11:15	18:2
10 [1] - 10:12 10-035-14 [3] - 4:4, 7:1, 8:18 11 [1] - 11:3 12 [3] - 11:20, 17:3, 17:8 13 [2] - 12:3, 17:17 14 [3] - 12:23, 17:14, 26:10 14th [1] - 9:8 15 [3] - 13:8, 13:21, 17:21 16th [1] - 9:7 18 [1] - 8:12 18th [1] - 10:6	A.M [1] - 4:1 a.m [2] - 27:14, 27:24 abilities [1] - 9:2 accepted [2] - 21:24, 24:2 accordance [2] - 10:5, 10:18 according [1] - 18:2 account [1] - 23:22 accountant [1] - 22:21 accountants [1] - 23:3 Accounting [1] - 4:7 accounting [29] - 6:24, 8:7, 8:16, 8:20, 9:1, 9:16, 10:2, 10:16, 11:7, 12:24, 13:8, 15:1, 19:8, 20:13, 20:14, 20:16, 20:17, 21:1, 21:24, 21:25, 22:1, 22:5, 22:16, 22:20, 23:1, 23:2, 24:2, 24:6, 27:7 accounts [4] - 13:1, 13:12, 13:22, 17:22 action [1] - 10:25 actual [3] - 8:11, 16:10, 22:13 add [1] - 22:24 additional [1] - 14:13 Additionally [1] - 17:8 address [4] - 16:4, 20:13, 20:22, 22:22 addresses [1] - 9:24 addressing [1] - 21:3 adequate [1] - 13:16 Adjustment [1] - 4:8 administratively [1] - 20:12 administratively-efficient [1] - 20:12	agreeable [1] - 11:11 agreed [2] - 9:12, 9:15 agreeing [2] - 11:10, 13:3 agreement [6] - 6:22, 7:2, 11:4, 14:11, 14:15, 15:4 alleviates [1] - 16:25 allocated [2] - 25:1, 25:5 allow [1] - 21:5 allowing [1] - 16:4 allows [2] - 12:13, 12:20 almost [1] - 23:2 amount [1] - 22:14 amounts [5] - 13:17, 17:16, 17:22, 23:10, 26:13 anticipate [1] - 14:12 anticipated [1] - 23:19 appearances [1] - 4:13 application [14] - 8:16, 8:21, 9:18, 10:13, 10:15, 10:19, 10:24, 13:6, 15:3, 16:9, 16:12, 16:21, 16:22, 19:4 applications [6] - 11:5, 11:8, 11:21, 11:22, 17:5, 22:5 applied [2] - 12:7, 12:8 apply [1] - 13:16 approval [2] - 4:11, 21:8 approve [3] - 14:25, 19:11, 27:18 approved [2] - 14:5, 17:20 approving [1] - 27:20 April [1] - 9:8 argue [3] - 9:2, 12:5, 12:14 arguments [1] - 13:3 assessment [1] - 23:9 associated [1] - 19:6 Association [2] -	available [1] - 15:7 averages [1] - 25:23 awful [1] - 23:1	5:20, 5:23, 6:6, 6:11, 7:15, 7:18, 15:9, 15:16, 15:20, 18:11, 18:16, 19:13, 19:16, 19:24, 20:5, 21:10, 21:13, 24:11, 27:8, 27:15
2		agrees [1] - 12:10, 14:19	B	change [1] - 11:23 charge [3] - 13:22, 13:23, 13:25 Cheryl [1] - 5:3 choose [2] - 10:20, 12:22 circulate [1] - 27:21 circulated [1] - 9:13 closing [1] - 20:20 collected [1] - 25:3 collectively [2] - 11:10, 11:13 comfortable [2] - 21:23, 26:19 commence [3] - 6:8, 10:22, 21:16 commencing [2] - 8:20, 10:6 comment [1] - 27:4 comments [2] - 15:5, 22:22 Commission [22] - 7:12, 7:22, 9:13, 9:16, 10:3, 10:17, 11:17, 11:22, 14:6, 14:24, 16:8, 17:4, 17:20, 18:5, 18:8, 18:24, 19:11, 21:2, 21:5, 22:11, 23:7, 23:18 Commission's [2] - 10:9, 10:25 Commission-approved [1] - 17:20 Commissioner Allen [5] - 21:17, 21:18, 22:23, 24:4, 24:10 Commissioner Campbell [5] - 24:11, 24:12, 25:17, 26:20, 27:3 Commissioners [4] - 4:15, 15:10, 20:7, 21:15 Company [14] - 4:18, 9:17, 10:4, 10:17, 12:12, 13:10, 15:2, 16:9, 17:21, 22:6, 22:12, 23:8, 23:12, 23:20 Company's [7] - 7:9, 9:25, 13:5, 14:20, 16:20, 16:22, 19:4 complete [3] - 9:9,
2 [1] - 25:13 2010 [8] - 4:1, 7:22, 8:12, 8:15, 10:7, 12:19, 24:24, 25:7 22nd [3] - 8:15, 8:20, 10:23 24th [1] - 9:7 29 [1] - 4:1		agrees [1] - 12:10, 14:19	balance [1] - 12:7 balancing [1] - 23:22 base [1] - 23:14 Based [1] - 9:11 based [2] - 13:25, 24:12 became [1] - 8:18 become [1] - 12:16 begin [1] - 4:13 beginning [1] - 21:17 Beginning [1] - 9:22 behalf [6] - 4:22, 5:13, 16:1, 16:5, 18:22, 20:8 behaved [1] - 19:25 behind [1] - 16:16 belief [1] - 7:9 believes [3] - 18:6, 19:8, 20:10 best [1] - 24:21 between [2] - 8:9, 16:10 binding [1] - 12:1 books [2] - 23:6, 24:8 bound [1] - 17:11 briefly [2] - 6:21, 27:16 built [2] - 25:9, 25:10	awful [1] - 23:1
3		agrees [1] - 12:10, 14:19	C	comment [1] - 27:4 comments [2] - 15:5, 22:22 Commission [22] - 7:12, 7:22, 9:13, 9:16, 10:3, 10:17, 11:17, 11:22, 14:6, 14:24, 16:8, 17:4, 17:20, 18:5, 18:8, 18:24, 19:11, 21:2, 21:5, 22:11, 23:7, 23:18 Commission's [2] - 10:9, 10:25 Commission-approved [1] - 17:20 Commissioner Allen [5] - 21:17, 21:18, 22:23, 24:4, 24:10 Commissioner Campbell [5] - 24:11, 24:12, 25:17, 26:20, 27:3 Commissioners [4] - 4:15, 15:10, 20:7, 21:15 Company [14] - 4:18, 9:17, 10:4, 10:17, 12:12, 13:10, 15:2, 16:9, 17:21, 22:6, 22:12, 23:8, 23:12, 23:20 Company's [7] - 7:9, 9:25, 13:5, 14:20, 16:20, 16:22, 19:4 complete [3] - 9:9,
30 [1] - 23:3		agrees [1] - 12:10, 14:19	calculations [1] - 24:7 carrying [3] - 13:22, 13:23, 13:25 case [2] - 12:1, 22:17 Cases [1] - 4:8 cases [1] - 25:21 certain [1] - 22:15 certainly [1] - 21:21 Chairman [5] - 4:16, 5:12, 7:11, 20:6, 21:18 CHAIRMAN BOYER [27] - 4:3, 4:19, 4:25, 5:5, 5:8, 5:10, 5:16,	change [1] - 11:23 charge [3] - 13:22, 13:23, 13:25 Cheryl [1] - 5:3 choose [2] - 10:20, 12:22 circulate [1] - 27:21 circulated [1] - 9:13 closing [1] - 20:20 collected [1] - 25:3 collectively [2] - 11:10, 11:13 comfortable [2] - 21:23, 26:19 commence [3] - 6:8, 10:22, 21:16 commencing [2] - 8:20, 10:6 comment [1] - 27:4 comments [2] - 15:5, 22:22 Commission [22] - 7:12, 7:22, 9:13, 9:16, 10:3, 10:17, 11:17, 11:22, 14:6, 14:24, 16:8, 17:4, 17:20, 18:5, 18:8, 18:24, 19:11, 21:2, 21:5, 22:11, 23:7, 23:18 Commission's [2] - 10:9, 10:25 Commission-approved [1] - 17:20 Commissioner Allen [5] - 21:17, 21:18, 22:23, 24:4, 24:10 Commissioner Campbell [5] - 24:11, 24:12, 25:17, 26:20, 27:3 Commissioners [4] - 4:15, 15:10, 20:7, 21:15 Company [14] - 4:18, 9:17, 10:4, 10:17, 12:12, 13:10, 15:2, 16:9, 17:21, 22:6, 22:12, 23:8, 23:12, 23:20 Company's [7] - 7:9, 9:25, 13:5, 14:20, 16:20, 16:22, 19:4 complete [3] - 9:9,
4		agrees [1] - 12:10, 14:19		
4 [1] - 12:19		agrees [1] - 12:10, 14:19		
5		agrees [1] - 12:10, 14:19		
5.98 [1] - 14:2		agrees [1] - 12:10, 14:19		
7		agrees [1] - 12:10, 14:19		
71 [1] - 22:7		agrees [1] - 12:10, 14:19		

<p>14:4, 14:13 completed [3] - 8:14, 8:24, 14:2 component [1] - 17:19 components [1] - 11:12 concerns [1] - 16:25 conclude [1] - 18:9 concluded [1] - 27:24 concludes [2] - 15:5, 27:23 condition [3] - 11:23, 11:24, 18:3 conditioned [1] - 11:21 conditions [2] - 16:24, 22:16 connection [1] - 8:21 consider [2] - 8:3, 21:6 consistent [2] - 15:4, 24:1 contingency [2] - 22:17, 24:7 copy [1] - 7:13 correct [2] - 23:5, 24:9 cost [2] - 9:25, 13:24 Cost [1] - 4:7 costs [23] - 8:8, 8:9, 8:11, 9:18, 10:5, 10:11, 13:6, 13:11, 13:19, 15:2, 16:10, 16:11, 16:21, 17:19, 22:12, 24:14, 24:24, 25:8, 25:19, 25:20, 25:25, 26:18 counsel [1] - 4:17 couple [2] - 16:23, 21:16 course [2] - 12:9, 27:16 CPA [1] - 23:2 create [2] - 12:24, 17:15 creates [1] - 21:3 creating [1] - 25:24 credit [1] - 9:4 credits [3] - 8:17, 8:22, 16:14 cross [3] - 15:13, 18:13, 21:13 cross examination [1] - 19:14 curious [1] - 24:12 current [1] - 25:12 customers [2] - 23:11, 25:14</p>	<p style="text-align: center;">D</p> <p>date [4] - 8:13, 8:20, 10:23, 12:19 Dave [1] - 4:17 David L. Taylor [1] - 6:16 dealing [2] - 14:18, 19:9 deals [1] - 25:18 debt [1] - 14:1 decided [1] - 22:18 decision [1] - 23:7 defer [8] - 9:17, 9:18, 10:4, 10:18, 15:2, 15:3, 16:9, 25:25 deferral [22] - 8:8, 9:25, 10:1, 10:8, 10:13, 10:22, 10:24, 11:5, 11:22, 13:5, 13:6, 14:16, 16:8, 16:13, 16:21, 17:12, 22:11, 23:13, 23:25, 26:1, 26:23, 27:2 deferrals [7] - 11:18, 11:25, 13:9, 13:11, 17:7, 23:16, 23:18 deferred [29] - 6:24, 6:25, 8:6, 8:16, 8:19, 9:1, 9:3, 9:16, 10:2, 10:16, 11:7, 12:23, 12:25, 13:17, 15:1, 17:16, 17:18, 17:22, 20:13, 20:14, 20:16, 20:17, 21:1, 22:1, 22:5, 23:10, 26:13, 26:22, 27:6 deferring [2] - 13:24, 26:23 degree [3] - 23:1, 24:15, 24:18 deliberate [1] - 27:16 describe [2] - 9:20, 10:20 described [2] - 10:6, 10:19 describes [2] - 12:3, 13:8 design [3] - 14:18, 26:15, 27:6 detail [4] - 10:21, 13:14, 16:16, 17:23 details [1] - 21:22 determination [2] - 10:9, 11:1 determined [2] - 13:15, 27:17 difference [2] - 8:9, 16:10 different [3] - 21:1, 23:17, 23:23</p>	<p>difficult [2] - 14:11, 14:13 direct [1] - 10:4 directing [1] - 10:17 disagrees [1] - 22:6 discuss [2] - 9:8, 26:6 discussion [1] - 22:3 discussions [1] - 9:11 Division [11] - 16:6, 16:20, 17:1, 17:11, 18:1, 18:4, 18:6, 21:19, 21:25, 22:4, 26:6 Division of Public Utilities [4] - 4:23, 7:3, 15:24, 16:2 Division's [2] - 4:24, 16:19 docket [13] - 7:23, 7:25, 8:7, 8:19, 9:9, 9:10, 11:16, 12:18, 12:21, 14:4, 14:14, 26:16 Docket [4] - 4:4, 7:23, 8:1, 8:18 Dockets [1] - 6:25 dockets [1] - 4:4 Dodge [5] - 5:11, 15:20, 18:17, 19:20, 21:11 DODGE [5] - 5:12, 15:19, 19:21, 20:1, 21:12 done [1] - 23:1 DR [1] - 16:3 draft [1] - 27:20 dramatic [1] - 20:18 due [1] - 25:13 duly [1] - 4:5</p> <p style="text-align: center;">E</p> <p>ECAM [21] - 7:23, 8:3, 8:4, 8:7, 9:9, 9:10, 10:11, 12:5, 12:7, 12:8, 12:10, 12:16, 12:21, 14:4, 14:18, 17:20, 17:24, 19:4, 26:15, 26:16, 27:6 effect [2] - 16:23, 25:12 effective [1] - 8:13 efficient [1] - 20:12 effort [1] - 5:24 either [6] - 11:7, 12:5, 13:4, 13:5, 13:18, 17:18 elements [1] - 6:23</p>	<p>employed [1] - 6:17 encourage [1] - 14:24 end [1] - 25:7 Energy [4] - 4:7, 5:13, 5:14, 7:5 energy [3] - 8:17, 8:22, 16:14 equal [1] - 13:24 especially [2] - 21:25, 26:25 essential [2] - 9:21, 20:21 establish [2] - 20:12, 23:12 established [4] - 8:10, 14:1, 18:24, 25:14 establishing [1] - 8:23 evaluate [1] - 22:12 EVANS [2] - 5:19, 5:21 Evans [3] - 5:20, 15:21, 18:17 event [1] - 23:24 events [2] - 6:22, 7:20 eventually [1] - 23:10 evidence [1] - 12:17 exam [1] - 23:2 examine [3] - 15:13, 18:14, 21:14 excess [1] - 8:23 excuse [1] - 8:1 expect [1] - 23:20 expedite [1] - 5:24 explain [1] - 16:18 explains [1] - 11:3 explicitly [1] - 17:8 explore [1] - 26:4 exploring [1] - 18:1 expressed [1] - 16:25 extraordinary [1] - 20:19</p> <p style="text-align: center;">F</p> <p>facilitate [1] - 17:23 factors [1] - 18:4 facts [1] - 13:3 fairly [1] - 19:24 faith [1] - 14:21 FASB [1] - 22:7 February [8] - 7:21, 8:5, 8:12, 8:15, 8:20, 10:6, 10:23, 16:23 fell [1] - 6:3</p>	<p>FERC [1] - 21:24 few [1] - 16:4 file [2] - 12:20, 18:1 filed [6] - 7:12, 8:6, 8:15, 14:25, 16:22, 19:12 final [3] - 10:9, 10:24, 10:25 first [2] - 4:10, 14:9 First [2] - 17:3, 18:23 flow [2] - 23:10, 25:15 focus [1] - 14:17 following [3] - 8:5, 21:23, 22:20 forego [1] - 16:17 forum [1] - 20:22 forward [2] - 12:9, 26:21 fund [1] - 22:17 future [10] - 9:3, 9:4, 12:1, 12:8, 12:25, 17:10, 17:13, 22:18, 23:25, 26:14</p> <p style="text-align: center;">G</p> <p>Gary Dodge [1] - 5:12 general [5] - 8:11, 8:14, 8:24, 14:2, 22:19 General's [1] - 4:22 generally [3] - 21:24, 23:5, 24:2 generally-accepted [2] - 21:24, 24:2 generation [1] - 24:21 Given [1] - 18:6 given [1] - 22:10 grant [3] - 9:16, 11:18, 17:4 granted [3] - 10:2, 10:15, 11:6 granting [3] - 11:22, 11:24, 15:1 grants [1] - 22:11 granularity [1] - 13:14 Great [2] - 4:25, 5:16 Greg [1] - 4:17 guidelines [3] - 22:1, 22:4, 22:20</p> <p style="text-align: center;">H</p> <p>handled [1] - 22:2 hard [1] - 27:23 HAYES [4] - 5:6, 5:8,</p>
---	---	---	--	---

<p>5:9, 15:18 Hayes [4] - 5:8, 15:17, 18:16, 19:19 head [1] - 22:8 heads [1] - 19:17 hear [4] - 4:9, 4:12, 15:23, 18:19 heard [2] - 15:11, 24:4 hearing [3] - 7:14, 27:23, 27:24 Hearing [1] - 4:6 Higgins [9] - 5:14, 5:17, 6:3, 19:20, 20:2, 20:5, 20:7, 21:10, 21:14 HIGGINS [2] - 20:4, 20:6 higher [3] - 24:14, 24:16, 24:17 himself [1] - 20:2 history [2] - 6:22, 16:16 Hogle [4] - 4:13, 6:8, 18:13, 27:19 HOGLE [2] - 4:15, 6:9 hundred [1] - 25:15</p>	<p>issue [3] - 15:1, 26:3, 26:4 issued [3] - 7:22, 10:3, 10:17 issues [7] - 9:9, 12:2, 14:16, 17:10, 19:3, 19:10, 21:5 items [4] - 9:24, 16:24, 17:25, 25:16</p>	<p>matter [2] - 12:18, 24:3 matters [2] - 5:24, 24:22 mean [3] - 7:14, 24:16, 26:3 Mechanism [1] - 4:8 mechanism [8] - 10:11, 12:16, 13:17, 13:20, 23:20, 23:21, 25:14, 25:24 memorandum [1] - 17:2 merits [1] - 19:9 met [2] - 9:6, 9:7 might [2] - 8:4, 24:19 million [6] - 24:25, 25:2, 25:4, 25:8, 25:10, 25:13 minute [1] - 27:11 mismatch [1] - 26:2 misspoke [1] - 8:2 modifications [1] - 8:3 MONSON [10] - 6:13, 6:19, 7:11, 7:17, 7:19, 9:20, 14:7, 15:7, 18:15, 19:15 Monson [8] - 4:17, 6:10, 6:11, 15:10, 18:13, 19:22, 27:19 Morning [1] - 5:12 morning [6] - 4:15, 4:21, 5:22, 16:3, 20:4, 20:6 most [1] - 11:24 Motion [1] - 4:6 motion [14] - 4:11, 6:1, 6:24, 8:6, 8:7, 9:17, 9:25, 10:5, 13:5, 14:25, 15:2, 15:5, 17:1, 23:7 motions [3] - 11:6, 11:8, 11:25 move [5] - 7:24, 8:2, 9:15, 11:18, 21:5 moving [2] - 4:14, 27:10 Murray [6] - 5:3, 6:4, 18:19, 19:13, 19:14, 19:18 MURRAY [2] - 18:21, 27:5 mutually [1] - 11:21</p>	<p>necessarily [1] - 11:11 need [1] - 7:13 negotiated [1] - 14:21 negotiations [1] - 26:7 net [23] - 8:8, 8:9, 8:11, 9:18, 9:24, 10:4, 13:5, 13:11, 13:18, 15:2, 16:9, 16:11, 16:21, 17:19, 22:11, 24:14, 24:24, 25:8, 25:12, 25:20, 25:25, 26:17 new [1] - 8:13 notes [1] - 19:2 notice [1] - 7:23 noticed [1] - 4:5 number [3] - 9:24, 25:1, 25:2 numbers [1] - 25:5</p>	<p>outside [1] - 24:6</p>
	<p>J</p>			<p>P</p>
	<p>Joint [1] - 4:6 joint [2] - 5:25, 6:24 jointly [1] - 9:15 JUNE [1] - 4:1 just-recently [2] - 8:13, 14:1 just-recently- completed [1] - 8:24</p>			<p>PacifiCorp [1] - 24:21 package [1] - 11:13 paragraph [8] - 9:23, 10:12, 13:10, 13:21, 17:3, 17:8, 17:17, 26:10 Paragraph [9] - 9:24, 10:12, 11:3, 11:20, 12:3, 12:23, 13:8, 17:14, 17:21 paragraphs [1] - 26:8 parameters [1] - 11:4 part [9] - 12:16, 12:21, 13:18, 14:12, 17:6, 22:17, 25:20, 26:17, 27:6 Part [1] - 13:21 participation [1] - 27:22 particular [1] - 17:1 parties [22] - 5:25, 8:4, 9:2, 9:6, 9:14, 9:23, 10:1, 11:4, 11:6, 11:15, 11:20, 12:4, 12:5, 12:17, 13:2, 14:10, 14:22, 15:13, 17:3, 21:5, 27:10, 27:21 parties' [1] - 15:4 party [3] - 4:14, 11:16, 12:13 passed [1] - 23:2 past [1] - 4:9 Patricia E. Schmid [1] - 4:21 Paul Proctor [1] - 5:3 pending [3] - 10:8, 10:25, 23:7 people [1] - 24:20 percent [2] - 14:2, 25:15 period [2] - 26:22, 26:23 pertaining [1] - 19:5 phase [1] - 26:15 Phase II [3] - 7:25, 8:2, 12:18 place [1] - 4:5 point [1] - 14:16 policy [2] - 25:18, 27:4 portion [1] - 14:14 position [1] - 6:15 possibility [1] -</p>
	<p>K</p>		<p>O</p>	
	<p>Kevin [3] - 5:14, 5:16, 20:7 key [1] - 6:23 kind [2] - 16:15, 26:12</p>		<p>objective [1] - 14:17 observations [1] - 21:21 occasions [1] - 9:6 occurred [1] - 20:20 offered [1] - 13:4 Office [6] - 4:22, 18:23, 19:2, 19:8, 19:10, 27:3 Office of Consumer Services [3] - 5:2, 18:19, 18:23 offset [3] - 17:18, 26:17, 26:21 offsetting [1] - 17:19 one [8] - 6:3, 14:18, 18:3, 21:15, 23:24, 26:8, 26:24 one-time [1] - 23:24 ongoing [1] - 23:22 opportunity [4] - 12:3, 12:11, 16:4, 27:15 opposed [3] - 4:11, 11:16, 16:20 opposing [1] - 5:25 opposition [1] - 13:4 order [11] - 7:22, 8:7, 8:16, 8:20, 9:1, 9:14, 10:2, 10:3, 10:16, 19:8, 27:20 Orders [1] - 4:7 orders [4] - 6:25, 9:16, 12:24, 15:1 ordinary [1] - 23:24</p>	
	<p>L</p>			
	<p>laid [1] - 16:7 last [2] - 8:11, 20:21 lays [1] - 14:3 least [3] - 14:16, 16:10, 23:20 led [3] - 6:22, 7:20, 18:4 left [1] - 5:5 legal [1] - 13:3 light [3] - 20:25, 21:7, 23:12 likelihood [1] - 22:13 limited [1] - 17:25 long-term [1] - 14:1 looked [1] - 27:5 looking [1] - 19:16 lower [2] - 24:15, 24:16</p>			
	<p>I</p>			
<p>identify [1] - 20:2 implications [2] - 24:13, 26:4 important [1] - 17:6 Inc [2] - 7:6 include [1] - 12:13 included [4] - 8:10, 12:4, 13:19, 26:17 including [3] - 12:14, 17:16, 17:24 increase [1] - 20:19 incremental [13] - 8:17, 9:17, 9:19, 10:4, 10:10, 10:13, 10:18, 11:2, 13:7, 15:2, 15:3, 16:13, 19:5 incurred [1] - 8:12 information [1] - 13:16 informed [1] - 24:23 interest [7] - 7:10, 11:14, 14:23, 17:7, 18:7, 20:11, 21:8 internally [1] - 26:6 interpretation [1] - 22:7 involving [1] - 12:1 isolation [2] - 11:9, 11:10</p>				
	<p>M</p>			
	<p>maintain [1] - 17:22 Manager [1] - 6:17 March [4] - 9:7, 24:24, 25:5 Mart [1] - 7:6 material [1] - 11:23</p>			
		<p>N</p>		
		<p>name [3] - 6:14, 6:16, 20:7 nature [2] - 23:17, 23:22</p>		

<p>17:25 potential [1] - 26:2 Powell [9] - 6:4, 15:23, 15:25, 18:12, 18:14, 18:18, 21:19, 21:23, 23:5 POWELL [4] - 16:3, 22:3, 26:5, 26:25 power [23] - 8:8, 8:9, 8:11, 9:18, 9:24, 10:4, 10:10, 13:6, 13:11, 13:18, 15:2, 16:9, 16:11, 16:21, 17:19, 22:11, 24:14, 24:24, 25:8, 25:20, 25:25, 26:18 Power's [1] - 7:8 practical [1] - 24:13 precedent [3] - 12:1, 17:9, 26:12 precluding [1] - 26:18 preliminary [1] - 16:18 prepare [1] - 27:20 present [1] - 12:17 presented [2] - 6:23, 18:5 preserve [1] - 9:2 presumption [3] - 12:24, 17:15, 26:12 prevent [1] - 13:14 principles [2] - 21:24, 24:2 probability [2] - 22:14, 23:14 problematic [1] - 24:5 procedural [2] - 19:7, 21:4 Proceed [1] - 6:11 proceed [3] - 7:24, 20:5, 27:13 proceeding [3] - 9:5, 18:25, 19:9 process [2] - 20:12, 21:3 Proctor [3] - 5:1, 15:16, 18:16 PROCTOR [1] - 5:2 projection [1] - 25:13 projections [1] - 25:7 proper [2] - 20:22, 20:23 properly [1] - 11:17 proponent's [1] - 15:12 proposal [3] - 12:12, 19:4, 27:7</p>	<p>proposals [1] - 21:6 proposed [3] - 8:3, 8:4, 20:9 Proposed [1] - 4:7 provide [3] - 17:9, 20:2, 20:24 provides [3] - 17:14, 17:21, 20:11 provision [1] - 23:13 provisions [1] - 18:6 public [7] - 7:10, 11:14, 14:23, 17:7, 18:7, 20:11, 21:8 purpose [1] - 6:19 purposes [2] - 13:23, 26:14 put [1] - 23:6</p> <p style="text-align: center;">Q</p> <p>questions [8] - 15:8, 15:11, 15:15, 15:18, 15:19, 19:15, 21:16, 27:8</p> <p style="text-align: center;">R</p> <p>rate [3] - 14:1, 19:5, 25:20 rate case [6] - 8:11, 8:14, 8:24, 14:2, 20:21, 25:22 ratemaking [11] - 9:5, 10:10, 11:1, 12:25, 13:15, 13:23, 17:15, 17:24, 20:23, 23:25, 26:13 ratepayers [1] - 9:4 rates [10] - 8:10, 8:13, 8:24, 16:12, 23:11, 24:15, 25:3, 25:4, 25:9, 25:11 reach [1] - 14:10 reached [1] - 7:2 read [1] - 27:16 really [1] - 23:24 reasons [1] - 26:8 REC [19] - 9:3, 9:10, 9:19, 10:13, 10:18, 11:2, 12:4, 12:8, 12:13, 12:15, 12:21, 13:7, 13:11, 13:19, 15:3, 20:19, 24:16, 25:3, 25:9 REC revenue [1] - 12:6 recently [3] - 8:13, 8:24, 14:1 recess [2] - 27:11, 27:14</p>	<p>recommend [3] - 12:4, 14:24, 21:7 recommending [1] - 17:4 recommends [1] - 18:7 reconfirm [1] - 7:8 record [5] - 4:3, 7:14, 7:16, 13:10, 13:13 recount [1] - 7:19 recoverable [1] - 22:18 recovery [2] - 22:13, 22:14 RECs [4] - 8:17, 16:14, 17:18, 19:6 Reed [1] - 5:18 reexploring [1] - 22:8 referral [1] - 9:10 referred [1] - 8:18 reflected [2] - 24:25, 25:4 regarding [1] - 19:3 Regulatory [1] - 6:18 related [1] - 9:9 relating [1] - 10:12 remainder [1] - 14:3 remaining [1] - 14:13 remains [1] - 24:6 remarks [2] - 16:5, 18:9 remember [1] - 22:7 renewable [3] - 8:17, 8:22, 16:14 represent [1] - 11:15 request [2] - 19:7, 20:1 requested [10] - 8:8, 9:17, 11:7, 11:19, 18:25, 20:13, 20:15, 20:16, 20:18, 23:18 requests [5] - 10:14, 16:8, 17:12, 19:11, 21:1 requirements [1] - 13:9 requires [1] - 13:10 reserve [2] - 15:10, 23:13 resolution [1] - 19:3 resolve [1] - 21:4 respect [1] - 20:17 respectfully [1] - 19:10 response [1] - 16:22 responsive [1] - 17:1 restate [1] - 14:20 revenue [3] - 13:24, 16:13, 19:6 revenues [23] - 8:21,</p>	<p>9:4, 9:19, 10:14, 10:18, 11:2, 12:4, 12:8, 12:13, 12:15, 12:21, 13:7, 13:11, 13:19, 15:4, 17:17, 24:16, 25:3, 25:9, 25:21, 25:22, 26:2, 26:16 review [1] - 6:21 rights [1] - 9:2 road [2] - 14:11, 14:13 Rocky Mountain [1] - 7:8 Rocky Mountain Power [8] - 4:16, 6:15, 6:17, 7:2, 8:5, 12:14, 12:20, 20:15 room [1] - 19:16 rules [2] - 21:25, 24:6</p> <p style="text-align: center;">S</p> <p>sale [2] - 16:13, 17:18 sales [1] - 8:22 Sam's [1] - 7:6 satisfy [1] - 22:15 schedule [8] - 9:8, 9:11, 9:12, 12:19, 14:4, 14:5, 18:2, 18:25 scheduling [1] - 9:14 Schmid [2] - 4:20, 15:14 SCHMID [3] - 4:21, 15:15, 15:25 seat [1] - 19:22 seated [1] - 6:7 secondly [1] - 4:12 see [4] - 15:12, 19:17, 19:20, 27:21 sense [1] - 26:22 separate [2] - 13:12, 17:22 set [4] - 12:19, 22:16, 23:25, 24:15 setting [1] - 26:11 several [1] - 9:6 Shall [1] - 5:23 shot [1] - 6:3 side [2] - 26:24 signed [1] - 14:22 similar [4] - 10:12, 12:2, 17:10, 17:12 simply [1] - 19:7 sometime [1] - 17:12 somewhat [3] - 10:20, 23:17, 25:23</p>	<p>Sophie Hayes [1] - 5:6 sort [1] - 26:1 sought [2] - 8:19, 9:1 speaking [1] - 4:10 specific [2] - 11:12, 17:25 specified [1] - 17:17 standard [1] - 22:20 state [2] - 6:14, 20:8 State of Utah [1] - 6:18 statement [4] - 16:1, 16:17, 16:18, 20:3 states [4] - 11:20, 12:23, 13:21, 17:8 stipulating [1] - 13:2 Stipulation [1] - 4:6 stipulation [51] - 4:10, 5:25, 6:24, 7:9, 7:10, 7:11, 7:20, 9:21, 9:23, 11:12, 11:13, 11:16, 14:3, 14:8, 14:21, 14:22, 14:25, 16:1, 16:5, 16:17, 16:19, 16:24, 16:25, 17:6, 17:9, 17:11, 17:14, 18:5, 18:7, 18:22, 19:1, 19:2, 19:11, 20:3, 20:9, 20:10, 20:24, 21:3, 21:8, 21:22, 24:5, 24:7, 24:14, 26:7, 26:9, 26:11, 27:1, 27:2, 27:17, 27:18, 27:20 stipulations [1] - 11:24 stood [1] - 24:21 Stores [1] - 7:6 Strategies [1] - 5:15 streamline [1] - 19:9 subject [1] - 13:22 submitted [1] - 27:18 Subpart [1] - 13:9 subsequent [1] - 20:20 subsequently [1] - 9:12 substance [1] - 21:6 substantive [1] - 19:3 sufficient [2] - 13:13, 17:23 supplemental [1] - 12:20 support [12] - 7:9, 13:4, 14:20, 16:1, 16:5, 16:19, 17:11, 18:4, 18:22, 20:3, 20:9, 22:5</p>
--	---	--	---	--

<p>supportable [1] - 11:9 swear [1] - 6:2 sworn [1] - 6:5</p>	<p>20:8, 20:10, 20:16, 20:18, 20:21 UAE's [3] - 16:12, 19:4, 20:9 ultimate [1] - 14:17 ultimately [2] - 12:10, 13:15 unprecedented [1] - 20:19 up [4] - 6:22, 22:16, 23:25, 26:3 Users [2] - 5:13, 7:5 Utah [7] - 4:23, 5:13, 7:3, 7:4, 25:1, 25:5 Utah Clean Energy [2] - 5:6, 7:7 Utah Industrial Energy Consumers [2] - 5:21, 7:5 Utah Office of Consumer Services [1] - 7:4 Utah-allocated [2] - 25:1, 25:5 utilized [1] - 8:23</p>	<p>5:7, 6:3, 6:5, 15:12 words [2] - 11:9, 17:10</p>	
<p>T</p>	<p>Y</p>	<p>Y</p>	
<p>table [1] - 14:17 Taylor [14] - 4:17, 6:4, 6:14, 7:19, 9:20, 14:7, 15:7, 15:9, 15:13, 15:22, 16:7, 16:15, 22:21, 22:24 TAYLOR [8] - 6:16, 6:21, 7:21, 9:22, 14:9, 22:25, 24:9, 24:19 ten [1] - 27:11 ten-minute [1] - 27:11 term [1] - 14:1 terms [3] - 9:21, 21:22, 22:4 testimony [5] - 6:20, 10:21, 12:21, 18:1, 24:17 Therefore [1] - 19:10 today [6] - 5:14, 6:20, 6:23, 18:21, 24:13, 24:22 together [3] - 14:10, 17:5, 17:7 top [1] - 22:8 tracking [1] - 25:25 transmission [3] - 25:19, 25:21, 26:1 treat [1] - 19:23 treated [2] - 24:8, 26:13 treatment [12] - 10:10, 11:1, 12:25, 13:15, 17:15, 19:5, 20:14, 20:16, 20:18, 20:22, 20:23, 24:1 treatments [4] - 17:24, 20:14, 21:2, 22:2 true [1] - 26:25 trust [1] - 19:22 two [8] - 4:4, 11:18, 13:21, 16:7, 17:6, 21:1, 23:16 type [2] - 23:19, 23:21 typical [1] - 11:23</p>	<p>year [3] - 7:22, 9:8, 16:23 years [1] - 23:3 yesterday [2] - 23:4, 24:23 Yvonne Hogle [1] - 4:16</p>	<p>year [3] - 7:22, 9:8, 16:23 years [1] - 23:3 yesterday [2] - 23:4, 24:23 Yvonne Hogle [1] - 4:16</p>	
<p>U</p>	<p>V</p>	<p>V</p>	
<p>UAE [13] - 8:15, 8:19, 9:1, 9:18, 10:13, 10:20, 13:6, 15:3,</p>	<p>values [2] - 20:20, 20:23 variety [1] - 17:23 venue [1] - 20:24 view [1] - 23:9</p>	<p>values [2] - 20:20, 20:23 variety [1] - 17:23 venue [1] - 20:24 view [1] - 23:9</p>	
<p>U</p>	<p>W</p>	<p>W</p>	
	<p>Wal [1] - 7:6 Wal-Mart [1] - 7:6 wants [1] - 21:20 warranted [1] - 11:8 weigh [1] - 21:20 weightier [1] - 18:3 Welcome [2] - 5:10, 5:17 welcome [1] - 21:21 West [1] - 7:6 Western Resource Advocates [1] - 7:7 wheeling [4] - 25:19, 25:21, 26:1, 26:16 William Evans [1] - 5:19 William Powell [1] - 4:24 wish [4] - 15:13, 18:13, 21:13, 27:12 witness [7] - 4:18, 4:24, 5:14, 5:22, 6:8, 6:12, 19:19 witnesses [5] - 4:10,</p>	<p>Wal [1] - 7:6 Wal-Mart [1] - 7:6 wants [1] - 21:20 warranted [1] - 11:8 weigh [1] - 21:20 weightier [1] - 18:3 Welcome [2] - 5:10, 5:17 welcome [1] - 21:21 West [1] - 7:6 Western Resource Advocates [1] - 7:7 wheeling [4] - 25:19, 25:21, 26:1, 26:16 William Evans [1] - 5:19 William Powell [1] - 4:24 wish [4] - 15:13, 18:13, 21:13, 27:12 witness [7] - 4:18, 4:24, 5:14, 5:22, 6:8, 6:12, 19:19 witnesses [5] - 4:10,</p>	<p>Wal [1] - 7:6 Wal-Mart [1] - 7:6 wants [1] - 21:20 warranted [1] - 11:8 weigh [1] - 21:20 weightier [1] - 18:3 Welcome [2] - 5:10, 5:17 welcome [1] - 21:21 West [1] - 7:6 Western Resource Advocates [1] - 7:7 wheeling [4] - 25:19, 25:21, 26:1, 26:16 William Evans [1] - 5:19 William Powell [1] - 4:24 wish [4] - 15:13, 18:13, 21:13, 27:12 witness [7] - 4:18, 4:24, 5:14, 5:22, 6:8, 6:12, 19:19 witnesses [5] - 4:10,</p>